

Administrative Relief Exceptions for COVID-19 Crisis

Federal awarding agencies are authorized to take actions, as they deem appropriate and to the extent permitted by law, with respect to the administrative provisions that apply to recipient grantees affected by the COVID-19. Awarding agencies are required to maintain records on the level of particular exceptions provided to recipients. The elements below, in our opinion, may apply to §319 awards.

1. **No-cost extensions on expiring awards.** [2 CFR §200.308](#): To the extent permitted by law, awarding agencies may extend awards which were active as of March 31, 2020 and scheduled to expire prior or up to December 31, 2020, automatically at no cost for a period of up to twelve (12) months. This will allow time for recipient assessments, the resumption of many individual projects, and a report on program progress and financial status to agency staff. Project-specific financial and performance reports will be due 90 days following the end date of the extension. Awarding agencies will examine the need to extend other project reporting as the need arises.
2. **Allowability of salaries and other project activities.** [2 CFR §200.403](#), [2 CFR §200.404](#), [2 CFR §200.405](#): Awarding agencies may allow recipients to continue to charge salaries and benefits to currently active Federal awards consistent with the recipients' policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Awarding agencies may allow other costs to be charged to Federal awards necessary to resume activities supported by the award, consistent with applicable Federal cost principles and the benefit to the project. Awarding agencies may also evaluate the grantee's ability to resume the project activity in the future and the appropriateness of future funding, as done under normal circumstances based on subsequent progress reports and other communications with the grantee. Awarding agencies must require recipients to maintain appropriate records and cost documentation as required by [2 CFR §200.302](#) *Financial management* and [2 CFR §200.333](#) *Retention requirement of records* to substantiate the charging of any salaries and other project activities costs related to interruption of operations or services.
3. **Allowability of Costs not Normally Chargeable to Awards.** [2 CFR §200.403](#), [2 CFR §200.404](#), [2 CFR §200.405](#): Awarding agencies may allow recipients who incur costs related to the cancellation of events, travel, or other activities necessary and reasonable for the performance of the award, or the pausing and restarting of grant funded activities due to the public health emergency, to charge these costs to their award without regard to [2 CFR §200.403](#), *Factors affecting allowability of costs*, [2 CFR §200.404](#), *Reasonable costs*, and [2 CFR §200.405](#), *Allocable costs*. Awarding agencies may allow recipients to charge full cost of cancellation when the event, travel, or other activities are conducted under the auspices of the grant. Awarding agencies must advise recipients that they should not assume additional funds will be available should the charging of cancellation or other fees result in a shortage of funds to eventually carry out the event or travel. Awarding agencies must require recipients to maintain appropriate records and cost documentation as required by [2 CFR §200.302](#) *Financial management* and [2 CFR §200.333](#) *Retention requirement of records*, to substantiate the charging of any cancellation or other fees related to interruption of operations or services. As appropriate, awarding agencies may list additional guidance on specific types of costs on their websites and/or provide a point of contact for an agency program official.
4. **Exemption of certain procurement requirements.** [2 CFR §200.319\(b\)](#), [2 CFR §200.321](#): Awarding agencies may waive the procurement requirements contained in [2 CFR §200.319\(b\)](#) regarding geographical preferences and [2 CFR §200.321](#) regarding contracting small and minority businesses, women's business enterprises, and labor surplus area firms.
5. **Extension of financial, performance, and other reporting.** [2 CFR §200.327](#), [2 CFR §200.328](#): Awarding agencies may allow grantees to delay submission of financial, performance and other

reports up to three (3) months beyond the normal due date. If an agency allows such a delay, grantees will continue to draw down Federal funds without the timely submission of these reports. However, these reports must be submitted at the end of the postponed period. In addition, awarding agencies may waive the requirement for recipients to notify the agency of problems, delays or adverse conditions related to COVID-19 on a grant by grant basis [2 CFR §200.328\(d\)\(l\)](#).

6. **Extension of currently approved indirect cost rates.** [2 CFR §200.414 \(c\)](#): Awarding agencies may allow grantees to continue to use the currently approved indirect cost rates (i.e., predetermined, fixed, or provisional rates) to recover their indirect costs on Federal awards. Agencies may approve grantee requests for an extension on the use of the current rates for one additional year without submission of an indirect cost proposal. Agencies may also approve grantee requests for an extension of the indirect cost rate proposal submission to finalize the current rates and establish future rates.
7. **Extension of closeout.** [2 CFR §200.343](#): Awarding agencies may allow the grantee to delay submission of any pending financial, performance and other reports required by the terms of the award for the closeout of expired projects, provided that proper notice about the reporting delay is given by the grantee to the agency. This delay in submitting closeout reports may not exceed one year after the award expires.

To receive the latest information on grants, including COVID-19 update, sign up for [the Grants Community of Practice](#). Additional information can be found at USEPA's [Frequently asked questions in response to COVID-19 public health emergency](#) website. For additional questions email: EPA_Grants_Info@epa.gov.